



# **Audit & Assurance Services**

## **Assessment of Corporate Governance Arrangements 2007/08** (Compliance with City Council's Code of Corporate Governance)

(A002/2009)

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## CORE PRINCIPLE 1: COMMUNITY FOCUS

### Focusing on the purpose of the City Council and on outcomes for the community, and creating and implementing a vision for the local area

The functions of governance is to ensure that local authorities, other local government organisations or connected partnerships fulfil their purpose and achieve their intended outcomes for citizens and service users and operate in an effective, efficient, economic and ethical manner. This concept should guide all governance activity. Local government bodies need to develop and articulate a clear vision of their purpose and intended outcomes for citizens and service users that is clearly communicated, both within the organisation and to external stakeholders.

Detailed Statement	Requirement for City Council	Compliance Evidence by: Source Documents/Processes	Evaluation and actions required to achieve full compliance
1. Exercising strategic leadership by developing and clearly communicating the City Council's purpose and vision and its intended outcome for citizens and service users	I.1 Develop and promote the City Council's purpose and vision	<ul style="list-style-type: none"> <li>▪ Vision, purpose and values</li> <li>▪ Corporate   Plan</li> <li>▪ Sustainable Community Strategy</li> <li>▪ Local Area Agreement</li> <li>▪ Local Strategic Partnership</li> <li>▪ Departmental Development Plans</li> <li>▪ Team Plans</li> <li>▪ Team Plans</li> </ul>	<p>The Corporate Plan (three year) containing the Corporate Priorities was not updated in 2007/08 due to change in the council's administration.</p> <p>Currently being updated and due to go to Cabinet for approval and publication in June 2008.</p> <p>A new business planning process was developed in 2007/08, one objective of which is to improve alignment of resources to objectives. This is going live in 2008/09.</p>
	I.2 Review on a regular basis the City Council's vision for the local area and its implications for the its governance arrangements	<ul style="list-style-type: none"> <li>▪ Sustainable Community Strategy</li> <li>▪ Local Strategic Partnership</li> <li>▪ Annual review of constitution</li> <li>▪ Local Area Agreement including monitoring of delivery</li> </ul>	Compliant
	I.3 Ensure that partnerships are underpinned by a common vision of their work that is understood and agreed by all partners.	<ul style="list-style-type: none"> <li>▪ Partnership protocols</li> <li>▪ Code of Corporate Governance</li> <li>▪ Local Area Agreement</li> <li>▪ Local Strategic Partnership</li> <li>▪ Sustainable Community Strategy</li> </ul>	Completion of Section 75 Agreement

Detailed Statement	Requirement for City Council	Compliance Evidence by: Source Documents/Processes	Evaluation and actions required to achieve full compliance
	<p>1.4 Publish an annual report on a timely basis to communicate the City Council's activities and achievements, its financial position and performance</p>	<ul style="list-style-type: none"> <li>▪ Annual Report</li> <li>▪ Statement of Accounts</li> <li>▪ Annual Audit &amp; Inspection Letter</li> <li>▪ Comprehensive Performance Assessment (CPA)</li> <li>▪ Annual Internal Audit Report</li> <li>▪ External Auditor's Audit and Inspection Letter</li> </ul>	<p>Annual Report and Statement of Accounts produced for 2007/08 but contained principally financial information.</p> <p>Consideration being given to expanding the scope to include greater performance information.</p> <p>Improved access to tools and training for Financial Management.</p>
<p>2. Ensuring that users receive a high quality of service whether directly, or in partnership, or by commissioning</p>	<p>2.1 Decide how the quality of service for users is to be measured and make sure that the information needed to review service quality effectively and regularly is available.</p> <p>2.2 Put in place effective arrangements to identify and deal with failure in service delivery</p>	<ul style="list-style-type: none"> <li>▪ City Views 2007</li> <li>▪ Corporate Plan Monitoring</li> <li>▪ Performance Monitoring/Indicators</li> <li>▪ Team Planning Process</li> <li>▪ LAA Performance Management Framework</li> <li>▪ Corporate Complaints Procedure</li> <li>▪ Performance Management System</li> </ul>	<p>The Corporate Plan (three year) containing the Corporate Priorities was not updated in 2007/08 due to change in the council's administration.</p> <p>Compliant</p>
<p>3. Ensuring that the City Council makes best use of resources and that the tax payers and service users receive excellent value for money (VFM)</p>	<p>3.1 Decide how VFM is to be measured and make sure that the City Council or partnership has the information needed to review VFM and performance effectively.</p>	<ul style="list-style-type: none"> <li>▪ Corporate Procurement Strategy</li> <li>▪ CPA Use of Resources KLOE 5</li> <li>▪ Annual Efficiency Statement</li> <li>▪ External Auditor's Audit and Inspection Letter</li> <li>▪ Performance Indicators</li> <li>▪ VFM Departmental Progress Reports</li> <li>▪ Departmental Development Plans</li> <li>▪ Team Plans</li> <li>▪ HR MIS System to effectively manage workforce</li> <li>▪ Externally measured (Audit Commission) VFM 'hotspots'.</li> <li>▪ Medium Term Financial Strategy</li> <li>▪ Performance Plan</li> </ul>	<p>PWC engaged to help build up knowledge, capability and skills internally to provide ongoing support to VFM reviews.</p> <p>Work programme developed for each directorate and VFM reviews being undertaken e.g. Adult Social Care.</p> <p>Development and introduction of training module for Value for Money in Contract Management required.</p> <p>Acquisition and implementation of HR MIS to enhance control and management of workforce.</p>

Detailed Statement	Requirement for City Council	Compliance Evidence by: Source Documents/Processes	Evaluation and actions required to achieve full compliance
	3.2 Measure the environmental impact of policies, plans and decisions	<ul style="list-style-type: none"> <li>▪ Committee reports (sustainability implications)</li> <li>▪ Team Planning/Business Planning Process</li> </ul>	Compliant

**Reference Documents**

Strong and Prosperous Communities DCLG (October 2006)

## CORE PRINCIPLE 2: COMMON PURPOSE

### Members and officers working together to achieve a common purpose with clearly defined functions and roles

The governing body of an organisation has overall responsibility for directing and controlling that organisation. In local government the governing body is the full council or authority. Further information on the structure and roles of the local authority governing bodies is included in the guidance notes to the framework.

Detailed Statement	Requirement for City Council	Compliance Evidence by: Source Documents/Processes	Evaluation and actions required to achieve full compliance
1. Ensuring effective leadership throughout the City Council and being clear about executive and non-executive functions and the roles and responsibilities of the scrutiny function	<p>1.1 Set out a clear statement of the respective roles and responsibilities of the executive and of the executive's members individually and the City Council's approach towards putting this in practice.</p> <p>1.2 Set out a clear statement of the respective roles and responsibilities of other City Council members, members generally and of senior officers.</p>	<ul style="list-style-type: none"> <li>▪ City Council's Constitution</li> <li>▪ Minutes of meetings</li>   <li>▪ City Council's Constitution (Scheme of Delegation)</li> <li>▪ Job Descriptions of Officers and Members</li> </ul>	<p>Compliant</p> <p>Post implementation review of the City Council's Constitution to be completed after six months.</p> <p>No clear process for updating officer's job descriptions to reflect current duties. These should be reviewed at least annually as part of PDPS process.</p> <p>Consideration still being given to introduction of Members Job Descriptions</p>
2. Ensuring that a constructive working relationship exists between City Council members and officers and that the responsibilities of members and officers are carried out to a high standard	<p>2.1 Determine a scheme of delegation and reserve powers within the constitution, including a formal schedule of those matters specifically reserved for collective decision of the City Council, taking account of relevant legislation and ensure that it is monitored and updated when required.</p> <p>2.2 Make the Chief Executive responsible and accountable to the City Council for all aspects of operational management.</p>	<ul style="list-style-type: none"> <li>▪ City Council's Constitution</li> </ul> <ul style="list-style-type: none"> <li>▪ City Council's Constitution</li> <li>▪ Job description/Person Specification of Chief Executive</li> <li>▪ Performance Indicators</li> </ul>	<p>Compliant</p> <p>Compliant</p>

Detailed Statement	Requirement for City Council	Compliance Evidence by: Source Documents/Processes	Evaluation and actions required to achieve full compliance
	<p>2.3 Develop protocols to ensure that the Leader and Chief Executive negotiate their respective roles early in the relationship and that a shared understanding of roles and objectives is maintained.</p>	<ul style="list-style-type: none"> <li>▪ Job Descriptions</li> <li>▪ Member/Officer Protocol</li> <li>▪ Annual review of constitution</li> <li>▪ Regular meetings between the Leader and Chief Executive</li> </ul>	Compliant
	<p>2.4 Make a senior officer (the s151 officer) responsible for ensuring that appropriate advice is given on all financial matters, for keeping proper financial records and accounts and for maintaining an effective system of internal financial control</p>	<ul style="list-style-type: none"> <li>▪ Local Government &amp; Housing Act 1989 - Section 151 Responsibilities</li> <li>▪ City Council's Constitution</li> <li>▪ Accounts &amp; Audit Regulations 2003 (Amended 2006)</li> <li>▪ Statutory reports</li> <li>▪ Financial Regulations</li> <li>▪ Job description/person specification</li> <li>▪ Medium Term Financial Strategy</li> <li>▪ Internal Audit Strategy and Charter</li> <li>▪ Annual assurance opinion by Head of Audit &amp; Assurance</li> <li>▪ Financial implication on reports</li> </ul>	Compliant
	<p>2.5 Make a senior officer (usually the monitoring officer) responsible to the City Council for ensuring that agreed procedures are followed and that all applicable statutes and regulations are complied with.</p>	<ul style="list-style-type: none"> <li>▪ Monitoring Officer Legislation</li> <li>▪ Local Government &amp; Housing Act 1989 – Section 5</li> <li>▪ City Council's Constitution</li> <li>▪ Monitoring Officer Protocol</li> <li>▪ Job Descriptions/person specification</li> <li>▪ Performance Development Planning Scheme</li> </ul>	Compliant
<p>3. Ensuring relationships between the City Council, its partners and the public are clear so that each knows what to expect from the other</p>	<p>3.1 Develop protocols to ensure effective communication between members and officers in their respective roles</p>	<ul style="list-style-type: none"> <li>▪ Member/officer protocol</li> </ul>	Compliant

Detailed Statement	Requirement for City Council	Compliance Evidence by: Source Documents/Processes	Evaluation and actions required to achieve full compliance
	<p>3.2 Set out the terms and conditions for remuneration of members and officers and an effective structure for managing the process, including an effective remuneration panel.</p>	<ul style="list-style-type: none"> <li>▪ Independent Remuneration Panel</li> <li>▪ Members Allowances Scheme</li> <li>▪ Contracts of employment</li> <li>▪ National pay scales</li> </ul>	<p>One area where work is still ongoing is the pay and grading review (Single Status) for comparability. Delays have occurred due to the complexity of pay and grading across the Council and potential risk of liability claims if get things wrong.</p>
	<p>3.3 Ensure that effective mechanisms exist to monitor service delivery.</p>	<ul style="list-style-type: none"> <li>▪ Corporate Plan</li> <li>▪ Local Area Agreement</li> <li>▪ Departmental Development Plans</li> <li>▪ Team Plans</li> <li>▪ PDP Process</li> <li>▪ Budget Reports</li> <li>▪ Periodic Performance Reports</li> </ul>	<p>Compliant</p>
	<p>3.4 Ensure that the organisation's vision, strategic plans, priorities and targets are developed through robust mechanisms, and in consultation with the local community and other key stakeholders, and that they are clearly articulated and disseminated.</p>	<ul style="list-style-type: none"> <li>▪ Corporate Plans</li> <li>▪ Sustainable Community Strategy</li> <li>▪ Departmental Development Plans</li> <li>▪ Consultation</li> <li>▪ Team Plans</li> <li>▪ Neighbourhood Renewal Strategy</li> <li>▪ Local Area Agreement</li> <li>▪ Partnership Agreements</li> </ul>	<p>Compliant</p>
	<p>3.5 When working in partnership, ensure that members are clear about their roles and responsibilities both individually and collectively in relation to the partnership and to the City Council.</p>	<ul style="list-style-type: none"> <li>▪ Local Strategic Partnership</li> <li>▪ Financial Regulations</li> <li>▪ Partnership Agreements</li> <li>▪ Partnership governance arrangements</li> <li>▪ Members pack 2008</li> </ul>	<p>Compliant</p>
	<p>3.6 When working in partnership, ensure:</p> <ul style="list-style-type: none"> <li>▪ that there is clarity about the legal status of the partnership; and</li> </ul>	<ul style="list-style-type: none"> <li>▪ Local Strategic Partnership</li> <li>▪ Partnership agreements</li> <li>▪ Financial Regulations</li> </ul>	<p>Compliant</p>

Detailed Statement	Requirement for City Council	Compliance Evidence by: Source Documents/Processes	Evaluation and actions required to achieve full compliance
	<ul style="list-style-type: none"> <li>▪ that representatives of organisations both understand and make clear to all partners the extent of their authority to bind their organisations to partner decisions.</li> </ul>		

**Reference Documents**

Changing Organisational Cultures, Audit Commission (2005)



## CORE PRINCIPLE 3: CONDUCT AND BEHAVIOUR

### Promoting values for the City Council and demonstrating the values of good governance through upholding high standards of conduct and behaviour

Good governance flows from a shared ethos or culture, as well as from systems and structures. It cannot be reduced to a set of rules, or achieved fully by compliance with a set of requirements. This spirit or those of good governance can be expressed as values and demonstrated in behaviour.

Good governance builds on the seven principles for the conduct of people in public life that were established by the Committee on Standards in Public Life, known as the Nolan Principles. In England, the Local Government Act 2000 outlined ten principles of conduct – an additional three to those identified by Nolan.

Detailed Statement	Requirement for City Council	Compliance Evidence by: Source Documents/Processes	Evaluation and actions required to achieve full compliance
<p>I. Ensuring City Council members and officers exercise leadership by behaving in ways that exemplify high standards of conduct and effective governance</p>	<p>1.1 Ensure that the City Council's leadership sets a tone for the organisation by creating a climate of openness, support and respect.</p> <p>1.2 Ensure that standards of conduct and personal behaviour expected of members and staff, of work between members and staff and between the City Council, its partners and the community are defined and communicated through codes of conduct and protocols.</p>	<ul style="list-style-type: none"> <li>▪ Sustainable Community Strategy</li> <li>▪ Members/Officers Codes of Conduct</li> <li>▪ Member/officer protocol</li>   <li>▪ Standards Committee</li> <li>▪ Local Standards Board for England</li> <li>▪ Members/Officers Codes of Conduct</li> <li>▪ Corporate Complaints procedure</li> <li>▪ Anti-fraud and Corruption Strategy</li> </ul>	<p>Compliant</p> <p>Whistleblowing Policy updated in 2007/08 in respect of equalities. Internal audit review to be carried out in 2008/09.</p> <p>Anti Fraud &amp; Corruption Strategy requires updating to take account of outcome of recent "Fraud Review" by Central Government.</p> <p>Audit &amp; Assurance to lead on review on the internal communication of the Council's Policies to raise awareness and compliance. To further examine the feasibility of enhancing electronic delivery to Members and staff.</p>

Detailed Statement	Requirement for City Council	Compliance Evidence by: Source Documents/Processes	Evaluation and actions required to achieve full compliance
	<p>1.3 Put in place arrangements to ensure that members and employees of the City Council are not influenced by prejudice, bias or conflicts of interest in dealing with different stakeholders and put in place appropriate processes to ensure that they continue to operate in practice.</p>	<ul style="list-style-type: none"> <li>▪ Standards Committee</li> <li>▪ Member/Officer Codes of Conduct</li> <li>▪ Fraud awareness training</li> <li>▪ Declarations/Registers of Interests by Members and Officers</li> <li>▪ Annual review of declaration of interests, gifts and hospitality</li> <li>▪ Contract Standing Orders</li> <li>▪ Financial Regulations</li> </ul>	<p>See above</p>
<p>2. Ensuring that organisational values are put into practice and are effective</p>	<p>2.1 Develop and maintain shared values including leadership values for both the organisation and staff reflecting public expectations, and communicate these with members, staff, the community and partners.</p> <p>2.2 Put in place arrangements to ensure that systems and processes are designed in conformity with appropriate ethical standards, and monitor their continuing effectiveness in practice.</p> <p>2.3 Develop and maintain an effective standards committee.</p> <p>2.4 Use the organisation's shared values to act as a guide for decision making and as a basis for developing positive and trusting relationships within the City Council.</p>	<ul style="list-style-type: none"> <li>▪ Members/Officers Codes of Conduct</li> </ul> <ul style="list-style-type: none"> <li>▪ Members/Officers Codes of Conduct (including reminders issued)</li> <li>▪ Standards Committee (Terms of Reference &amp; Reports)</li> <li>▪ Scrutiny</li> <li>▪ Local Investigation Regulations</li> </ul> <ul style="list-style-type: none"> <li>▪ Standards Committee (Terms of Reference &amp; Reports)</li> </ul> <ul style="list-style-type: none"> <li>▪ City Council's Constitution</li> <li>▪ Member/Officer Protocols</li> </ul>	<p>Compliant</p> <p>Compliant</p> <p>Compliant</p> <p>Compliant</p>

Detailed Statement	Requirement for City Council	Compliance Evidence by: Source Documents/Processes	Evaluation and actions required to achieve full compliance
	2.5 In pursuing the vision of a partnership, agree a set of values against which decision making and actions can be judged. Such values must be demonstrated by partners' behaviour both individually and collectively.	<ul style="list-style-type: none"> <li>▪ Partnership agreements</li> <li>▪ Partnership governance arrangements (including objectives, protocols, roles, funding, dispute resolution)</li> <li>▪ LSP Member Handbook</li> </ul>	Compliant

**Reference Documents**

Standards of Conduct in English Local Government: The Future ODPM (2005)

## **CORE PRINCIPLE 4: SCRUTINY & RISK MANAGEMENT**

### **Taking informed and transparent decisions which are subject to effective scrutiny and managing risk**

Decision making within a good governance framework is complex and challenging. It must further the organisation's purpose and strategic direction and be robust in the medium and longer terms. To make such decisions, authority members must be well informed.

Members making decisions need the support of appropriate systems to help ensure that decisions are implemented and that resources are used legally and efficiently.

Risk management is important to the successful delivery of public services. An effective risk management system identifies and assesses risk, decides on appropriate responses and then provides assurances that the chosen responses are effective.

Detailed Statement	Requirement for City Council	Compliance Evidence by: Source Documents/Processes	Evaluation and actions required to achieve full compliance
I. Being rigorous and transparent about how decisions are taken and listening and acting on the outcome of constructive scrutiny	I.1 Develop and maintain an effective scrutiny function which encourages constructive challenge and enhances the City Council's performance overall and that of any organisation for which it is responsible.	<ul style="list-style-type: none"> <li>▪ City Council's Constitution</li> <li>▪ Overview and Scrutiny Committee, Panels procedures rules</li> <li>▪ Scrutiny Annual Report</li> <li>▪ Individual Scrutiny Reviews</li> </ul>	Compliant
	I.2 Develop and maintain open and effective mechanisms for documenting evidence for decisions and recording the criteria, rationale and considerations on which decisions are based.	<ul style="list-style-type: none"> <li>▪ Minutes of meetings and records of decisions</li> <li>▪ Supporting reports and material</li> <li>▪ City Council's website</li> </ul>	Compliant
	I.3 Put in place arrangements to safeguard members and employees against conflicts of interest and put in place appropriate processes to ensure that they continue to operate in practice.	<ul style="list-style-type: none"> <li>▪ Members/Officers Codes of Conduct</li> <li>▪ Declarations/Registers of Interest for Officers and Members</li> <li>▪ City Council's Constitution</li> </ul>	Compliant

Detailed Statement	Requirement for City Council	Compliance Evidence by: Source Documents/Processes	Evaluation and actions required to achieve full compliance
	<p>1.4 Develop and maintain an effective audit committee which is independent of the executive and scrutiny functions or make appropriate arrangements for the discharge of the functions of an audit committee.</p>	<ul style="list-style-type: none"> <li>▪ Audit Panel Terms of Reference</li> <li>▪ Audit Panel Reports</li> <li>▪ Audit Panel Annual Report</li> <li>▪ Audit Panel Membership</li> <li>▪ Assessment of effectiveness against best professional practice</li> </ul>	<p>For 2007/08 an Audit Panel operated reporting to OSOC. This has been replaced by a full Audit Committee for 2008/09.</p> <p>There is a training requirement for new members going from 4 to 10, on the role and specific areas of discharging duties.</p>
	<p>1.5 Ensure that effective, transparent and accessible arrangements are in place for dealing with complaints.</p>	<ul style="list-style-type: none"> <li>▪ Corporate Complaints Process</li> </ul>	<p>Compliant</p>
<p>2. Having good-quality information, advice and support to ensure that services are delivered effectively and are what the community wants/needs</p>	<p>2.1 Ensure that those making decisions, whether for the City Council or the partnership, are provided with information that is fit for purpose – relevant, timely, giving clear explanations of technical issues and their implications.</p>	<ul style="list-style-type: none"> <li>▪ Meeting agendas, minutes and reports</li> <li>▪ Implications on reports e.g. legal and financial on all committee reports</li> <li>▪ Data Quality Strategy</li> <li>▪ Training for members (induction and on-going)</li> <li>▪ Members Pack 2008 (Members Handbook)</li> </ul>	<p>Compliant</p>
	<p>2.2 Ensure that proper professional advice on matters that have legal or financial implications is available and recorded well in advance of decision making and used appropriately.</p>	<ul style="list-style-type: none"> <li>▪ Committee reports/protocols</li> <li>▪ Implications on reports e.g. legal and financial on all committee reports</li> <li>▪ Guidance/training to Officers</li> </ul>	<p>Compliant</p> <p>Process being improved for 2008/09 with revised format for reports.</p>

Detailed Statement	Requirement for City Council	Compliance Evidence by: Source Documents/Processes	Evaluation and actions required to achieve full compliance
<p>3. Ensuring that an effective risk management system is in place</p>	<p>3.1 Ensure that risk management is embedded into the culture of the City Council, with members and managers at all levels recognising that risk management is part of their jobs.</p>	<ul style="list-style-type: none"> <li>▪ Risk Management Strategy</li> <li>▪ Corporate/departmental risks</li> <li>▪ Internal audit reports</li> <li>▪ Risk management training</li> <li>▪ Risk assessments (e.g. major projects) and Risk workshops</li> <li>▪ Risk management reports</li> <li>▪ Risk registers (corporate and departmental)</li> <li>▪ Departmental Development Plans</li> <li>▪ Team Planning Process</li> <li>▪ Risk implications in reports</li> </ul>	<p>Risk Management Strategy being updated with greater emphasis on opportunities and partnerships.</p> <p>Business Continuity Planning to be reviewed in relation to partnerships, significant contractors and specifically relating to ICT resilience.</p>
	<p>3.2 Ensure that effective arrangements for whistle-blowing are in place to which officers, staff and all those contracting with or appointed by the City Council have access.</p>	<ul style="list-style-type: none"> <li>▪ Whistle-blowing policy</li> <li>▪ Awareness campaigns of policy e.g. posters, messages to staff, training</li> </ul>	<p>Compliant</p> <p>Process to be reviewed by Audit &amp; Assurance Services in 2008/09 and internal campaign to raise further awareness.</p>
<p>4. Ensuring that authorities use their legal powers to the full benefit of the citizens and communities in their areas</p>	<p>4.1 Actively recognise the limits of lawful activity placed on them by, for example, the ultra vires doctrine but also strive to utilise their powers to the full benefit of their communities.</p>	<ul style="list-style-type: none"> <li>▪ Monitoring Officer Legislation</li> <li>▪ Local Government and Housing Act 1989 Section 5</li> <li>▪ City Council's Constitution</li> <li>▪ Training and qualified officers (PDPS Scheme, CPD)</li> </ul>	<p>Compliant</p>

Detailed Statement	Requirement for City Council	Compliance Evidence by: Source Documents/Processes	Evaluation and actions required to achieve full compliance
	<p>4.2 Recognise the limits of lawful action and observe both the specific requirements of legislation and the general responsibilities placed on authorities by public law.</p>	<ul style="list-style-type: none"> <li>▪ Monitoring Officer Legislation Local Government and Housing Act 1989 Section 5</li> <li>▪ Review of reports by Monitoring Officer Training and qualified officers (PDPS Scheme, CPD)</li> </ul>	Compliant
	<p>4.3 Observe all specific legislative requirements placed on them, as well as the requirements of general law, and in particular to integrate the key principles of good administrative law – rationality, legality and natural justice – into their procedures and decision-making processes.</p>	<ul style="list-style-type: none"> <li>▪ Monitoring Officer Legislation Local Government and Housing Act 1989 Section 5</li> <li>▪ City Council's Constitution</li> <li>▪ Training and qualified officers (PDPS Scheme, CPD)</li> </ul>	Compliant

**Reference Documents**

Management of Risk Principles and Concepts: The Orange Book, HM Treasury (2004)  
 Audit Committee: Practical Guidance for Local Authorities, CIPFA (2006)

## CORE PRINCIPLE 5: EFFECTIVE CAPACITY

### Developing the capacity and capability of members and officers to be effective

Effective local government relies on public confidence in authority members, whether elected or appointed, and in officers. Good governance strengthens credibility and confidence in our public services. Authorities need people with the right skills to direct and control them effectively. Governance roles and responsibilities are challenging and demanding, and authority members need the right skills for their roles. In addition governance means drawing on the largest possible pool of potential members to recruit people with the necessary skills.

Detailed Statement	Requirement for City Council	Compliance Evidence by: Source Documents/Processes	Evaluation and actions required to achieve full compliance
1. Making sure that members and officers have the skills, knowledge, experience and resources they need to perform well in their roles	1.1 Provide induction programmes tailored to individual needs and opportunities for members and officers to update their knowledge on a regular basis.	<ul style="list-style-type: none"> <li>▪ Members and Officers induction training</li> <li>▪ Members Training Plan</li> <li>▪ Officer's PDPS Scheme i.e. Learning &amp; Development Plans</li> <li>▪ IIP accreditation (limited)</li> </ul>	Training requirements of Members for constitutional change being addressed.
	1.2 Ensure that the statutory officers have the skills, resources and support necessary to perform effectively in their roles and that these roles are properly understood throughout the City Council.	<ul style="list-style-type: none"> <li>▪ Officer's PDPS Scheme</li> <li>▪ Job descriptions</li> <li>▪ City Council's Constitution</li> <li>▪ Scheme of delegation</li> <li>▪ IIP accreditation (limited)</li> <li>▪ Job descriptions/person specifications</li> </ul>	Issue over the regular review and updating of Job Descriptions.
2. Developing the capability of people with governance responsibilities and evaluating their performance as individuals and as a group	2.1 Assess the skills required by members and officers and make a commitment to develop those skills to enable roles to be carried out effectively.	<ul style="list-style-type: none"> <li>▪ Officer's PDPS Scheme</li> <li>▪ Learning and Development Plans</li> <li>▪ Members induction training</li> <li>▪ Team Plans</li> <li>▪ Members Training Programme</li> <li>▪ Continued Professional Development (CPD) of professional institutes/bodies</li> <li>▪ IIP accreditation (limited)</li> </ul>	<p>IIP accreditation to be undertaken for all departments</p> <p>Pay and Workforce Strategy to be reviewed, updated and approved.</p> <p>People Strategy to be developed</p>



Detailed Statement	Requirement for City Council	Compliance Evidence by: Source Documents/Processes	Evaluation and actions required to achieve full compliance
	<p>2.2 Develop skills on a continuing basis to improve performance, including the ability to scrutinise and challenge and to recognise when outside expert help is needed.</p> <p>2.3 Ensure that effective arrangements are in place for reviewing the performance of the executive as a whole and of individual members and agreeing an action plan which might, for example, aim to address any training or development needs.</p>	<ul style="list-style-type: none"> <li>▪ Member Training Programme</li> <li>▪ Officer's PDPS Scheme</li> </ul>	Compliant
		<ul style="list-style-type: none"> <li>▪ Overview and Scrutiny</li> <li>▪ Performance Management</li> <li>▪ City Council's Constitution</li> <li>▪ Scrutiny arrangements</li> </ul>	Compliant
<p>3. Encouraging new talent for membership of the City Council so that best use can be made of individual's skills and resources in balancing continuity and renewal</p>	<p>3.1 Ensure that effective arrangements are in place designed to encourage individuals from all sections of the community to engage with, and contribute to and participate in the work of the City Council.</p>	<ul style="list-style-type: none"> <li>▪ Local Strategic Partnership</li> <li>▪ Citizens Views 2007</li> <li>▪ Local Area Agreement</li> <li>▪ Equalities Policy</li> <li>▪ Budget consultation meetings</li> <li>▪ City Council's website</li> <li>▪ Charter Mark (limited to certain areas)</li> <li>▪ Housing stock transfer tenants consultation and vote</li> </ul>	Compliant
	<p>3.2 Ensure that career structures are in place for members and officers to encourage participation and development.</p>	<ul style="list-style-type: none"> <li>▪ Officer's PDPS Scheme i.e. Learning &amp; Development Plans</li> <li>▪ Member development</li> </ul>	<p>People Strategy to be developed, approved and introduced.</p> <p>Officers grading structure very rigid and not an incentive for development. Absence of career and promotion based on merit.</p>

## **CORE PRINCIPLE 6: ENGAGEMENT AND ACCOUNTABILITY**

### **Engaging with local people and other stakeholders to ensure robust public accountability**

Local government is accountable in a number of ways. Elected local authority members are democratically accountable to their local area and this gives a clear leadership role in building sustainable communities. All members must account to their communities for the decisions they have taken and the rationale behind those decisions. All authorities are subject to external review through the external audit of their financial statements. They are required to publish their financial statements and are encouraged to prepare an annual report. Many are subject to national standards and targets.

Detailed Statement	Requirement for City Council	Compliance Evidence by: Source Documents/Processes	Evaluation and actions required to achieve full compliance
1. Exercising leadership through a robust scrutiny function which effectively engages local people and all institutional stakeholders, including partnerships, and develops constructive accountability relationships.	1.1 Make clear to themselves, all staff and the community to whom they are accountable and for what.	<ul style="list-style-type: none"> <li>▪ City Council's Constitution</li> <li>▪ Overview and Scrutiny Committee/procedures rules</li> <li>▪ Scrutiny Panels (Including Audit)</li> <li>▪ Annual Scrutiny Report</li> <li>▪ Partnership agreements</li> </ul>	Compliant
	1.2 Consider those institutional stakeholders to whom the City Council is accountable and assess the effectiveness of the relationships and any changes required.	<ul style="list-style-type: none"> <li>▪ Sustainable Community Strategy</li> <li>▪ Local Strategic Partnership</li> <li>▪ Local Area Agreement</li> </ul>	Compliant
	1.3 Produce an annual report on the activity of the scrutiny function.	<ul style="list-style-type: none"> <li>▪ Annual Scrutiny Report</li> </ul>	Compliant

Detailed Statement	Requirement for City Council	Compliance Evidence by: Source Documents/Processes	Evaluation and actions required to achieve full compliance
<p>2. Taking an active and planned approach to dialogue with, and accountability to, the public to ensure effective and appropriate service delivery, whether directly by the City Council, in partnership or by commissioning</p>	<p>2.1 Ensure clear channels of communication are in place with all sections of the community and other stakeholders, and put in place monitoring arrangements and ensure that they operate effectively.</p>	<ul style="list-style-type: none"> <li>▪ Community strategy</li> <li>▪ Communications Strategy</li> <li>▪ Local Strategic Partnership</li> <li>▪ Local Area Agreement</li> <li>▪ Citizens Views 2007</li> <li>▪ Staff Survey</li> <li>▪ Charter Mark (limited to certain services)</li> </ul>	<p>Review of the corporate consultation and communications policies.</p>
	<p>2.2 Hold meetings in public unless there good reasons for confidentiality.</p>	<ul style="list-style-type: none"> <li>▪ City Council's Constitution</li> <li>▪ Meeting minutes</li> </ul>	<p>Compliant</p>
	<p>2.3 Ensure that arrangements are in place to enable the City Council to engage with all sections of the community effectively. These arrangements should recognise that different sections of the community have different priorities and establish explicit processes for dealing with these competing demands.</p>	<ul style="list-style-type: none"> <li>▪ Sustainable Community Strategy</li> <li>▪ Local Area Agreement</li> <li>▪ Budget Consultation</li> </ul>	<p>Compliant</p>
	<p>2.4 Establish a clear policy on the types of issues they will meaningfully consult on or engage with the public and service users about, including a feedback mechanism for those consulted to demonstrate what has changed as a result.</p>	<ul style="list-style-type: none"> <li>▪ Annual Report</li> <li>▪ Scrutiny reports</li> </ul>	<p>Compliant</p>

Detailed Statement	Requirement for City Council	Compliance Evidence by: Source Documents/Processes	Evaluation and actions required to achieve full compliance
	<p>2.5 On an annual basis, publish a performance plan giving information on the City Council's vision, strategy, plans and financial statements as well as information about its outcomes, achievements and the satisfaction of service users in the previous period.</p>	<ul style="list-style-type: none"> <li>▪ Corporate Plan</li> <li>▪ Sustainable Community Strategy</li> <li>▪ Annual Report</li> <li>▪ Statement of Accounts</li> <li>▪ Council Tax Leaflet</li> <li>▪ Performance Plan</li> <li>▪ Medium Term Financial Strategy</li> </ul>	Compliant
	<p>2.6 Ensure that the City Council as a whole is open and accessible to the community, service users and its staff and ensure that it has made a commitment to openness and transparency in all its dealings, including partnerships, subject only to the need to preserve confidentiality in those specific circumstances where it is proper and appropriate to do so.</p>	<ul style="list-style-type: none"> <li>▪ City Council's Constitution</li> <li>▪ Corporate Plan</li> <li>▪ Freedom of Information Act compliance</li> <li>▪ Publication Scheme</li> <li>▪ Whistleblowing Policy</li> <li>▪ Anti Fraud &amp; Corruption Strategy</li> <li>▪ Declarations of Interests, Gifts and Hospitality Policy</li> </ul>	Compliant
<p>3. Making best use of human resources by taking an active and planned approach to meet responsibilities to staff</p>	<p>3.1 Develop and maintain a clear policy on how staff and their representatives are consulted and involved in decision making.</p>	<ul style="list-style-type: none"> <li>▪ City Council's Constitution</li> <li>▪ Staff Survey</li> <li>▪ Staff Conferences</li> <li>▪ Departmental Staff Gatherings</li> <li>▪ Team Meetings</li> <li>▪ TMT and DMTs</li> <li>▪ City Council's Intranet</li> <li>▪ Trade Union Protocols</li> </ul>	Compliant

**Reference Documents**

Governing Partnerships: Bridging the Accountability Gap, Audit Commission (2005)  
The Good Governance Standard for Public Services, The Independent Commission on Good Governance in Public Services (2004)